Urban planning and street atmosphere in Shanghai downtown - China

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2012 Nine Month Results

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The Group has implemented its new organization, with the change to a country-based organization, and has consequently adapted its external reporting. Operational results are now primarily analyzed on a country basis versus previously by product line, and the results are presented by region.

Since July 2011, the Group is committed in a disposal project of the main part of the Gypsum Division and disposed of its Gypsum operations in Western Europe, Central and Eastern Europe, Latin America and Asia in the second half of 2011. In accordance with IFRS, until the activities are effectively divested, the contribution of the Gypsum discontinued activities to the Group's consolidated statements of income and statements of cash flows is presented on specific lines for all the periods presented. In the Group's consolidated statement of financial position, Gypsum discontinued assets and liabilities are shown on separate lines for 2012 data and December 2011, with no restatement for prior periods.

Introduction

- Continue to assume a demanding economic environment
- Focus on cash generation and debt reduction
- Accelerate cost cutting and innovation measures to achieve €550M additional EBITDA in 2013
- Committed to target of securing more than €1Bn of divestments before year-end and net debt below €10Bn as soon as possible in 2013
- Limit capital expenditures initially at €800M for 2013; additional divestments beyond the current €1Bn 2012 target may lead to an increase of this expenditures level

Highlights

- Sales increased in Q3 and year-to-date driven by higher pricing and growth in emerging markets.
- Achieved €290M of cost savings year-to-date, €120M in Q3, and on track to reach at least €400M for the full year.
- EBITDA and current operating income rose for both periods despite slowdown in Europe. Excluding Europe, EBITDA increased 16% in Q3 and 20% year-to-date.
- EBITDA margins up for both periods, improving 130 basis points year-to-date when excluding carbon credit sales.
- Net earnings up 14% year-to-date when excluding gain on gypsum assets in 2011, impairment, and restructuring costs.
- Net debt down €2.1Bn from September 30, 2011 and €350M in Q3, and the Group has secured close to €500M of divestments to date.

Key Figures

	9 Months 2012	9 Months 2011	Variation	lfl	3rd Quarter 2012	3rd Quarter 2011	Variation	lfl
Volumes								
Cement (MT)	106.3	108.8	-2%	-1%	*36.6*	*38.2*	*-4%*	*-3%*
Pure aggregates (MT)	141.2	143.6	-2%	-2%	*57.0*	*57.5*	*-1%*	-
Ready-Mix Concrete (Mm^3)	24.0	25.5	-6%	-1%	*8.3*	*8.7*	*-5%*	-
€m								
Sales	**12,007**	**11,471**	**5%**	**3%**	***4,393***	***4,211***	***4%***	***1%***
EBITDA (1)	2,594	2,419	7%	4%	*1,071*	*1,006*	*6%*	*2%*
EBITDA Margin (1)	*21.6%*	*21.1%*	*50bps*		*24.4%*	*23.9%*	*50bps*	
Current Operating Income (1)	**1,837**	**1,641**	**12%**	**7%**	***815***	***750***	***9%***	***4%***
Net income Group share (2)	332	596	-44%		*319*	*336*	*-5%*	
Earnings per share (in €)	**1.16**	**2.08**	**-44%**		***1.11***	***1.17***	***-5%***	
Free cash flow	**211**	**507**	**-58%**		***523***	***640***	***-18%***	
Net debt	12,202	14,262	-14%					

(1) Impacted by lower sales of carbon credits: 88 million euros and 37 million euros lower proceeds for 9M and Q3, respectively
(2) Net income attributable to the owners of the parent company

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Abdoun bridge in Amman - Jordan

Operational Review

Overview of EBITDA by Geographical Area

By geographical zone	9 Months				3rd Quarter			
	2012	**2011**	Variation	lfl	***2012***	***2011***	*Variation*	*lfl*
North America	383	291	32%	21%	*264*	*233*	*13%*	*7%*
Western Europe[1]	438	522	-16%	-19%	*159*	*177*	*-10%*	*-13%*
Central & Eastern Europe[1]	214	273	-22%	-20%	*128*	*155*	*-17%*	*-19%*
Middle East and Africa	942	865	9%	6%	*299*	*293*	*2%*	*-3%*
Latin America	211	180	17%	18%	*82*	*65*	*26%*	*29%*
Asia	406	288	41%	34%	*139*	*83*	*67%*	*56%*
EBITDA[1]	**2,594**	**2,419**	**7%**	**4%**	***1,071***	***1,006***	***6%***	***2%***

(1) Impacted by lower sales of carbon credits:	**9M 2012 versus 9M 2011**	**Q3 2012 versus Q3 2011**
Western Europe:	65 million euros lower proceeds	33 million euros lower proceeds
Central and Eastern Europe:	23 million euros lower proceeds	4 million euros lower proceeds
Group:	88 million euros lower proceeds	37 million euros lower proceeds

North America

Improved Pricing and Significant Cost-Cutting

Volumes	9 Months 2012	9 Months 2011	9 Months Variation	9 Months lfl	3rd Quarter 2012	3rd Quarter 2011	3rd Quarter Variation	3rd Quarter lfl
Cement (MT)	9.8	10.2	-4%	7%	*4.1*	*4.5*	*-10%*	*-2%*
Pure aggregates (MT)	72.5	70.8	2%	5%	*31.9*	*32.2*	*-1%*	*4%*
Ready-Mix Concrete (Mm^3)	4.8	5.4	-11%	9%	*1.9*	*2.2*	*-13%*	*2%*
Sales	**2,551**	**2,308**	**11%**	**11%**	***1,156***	***1,072***	***8%***	***6%***
EBITDA	**383**	**291**	**32%**	**21%**	***264***	***233***	***13%***	***7%***
EBITDA Margin	*15.0%*	*12.6%*			*22.8%*	*21.7%*		
Current Operating Income	235	109	116%	59%	*215*	*172*	*25%*	*14%*

- After a strong H1, sales increased at a slower pace across all our activities on a like for like basis in the third quarter.
  - **In the United States,** cement prices moved higher and compensated for slightly lower sales volumes across all activities, impacted by a more difficult base comparison, sluggish civil construction, and adverse weather.
  - **In Canada,** all three product lines showed volume growth, helped by several major projects in West Canada.
- EBITDA was up 31 million euros for Q3 (up 92 million euros for 9M), driven by higher sales and strong cost-cutting measures.

Western Europe

Strong Cost-Cutting mitigated the Impact of Lower Volumes and Lower Carbon Credit Sales

	9 Months				3rd Quarter			
Volumes	**2012**	**2011**	**Variation**	**lfl**	***2012***	***2011***	***Variation***	***lfl***
Cement (MT)	12.5	14.2	-11%	-11%	*4.2*	*4.9*	*-12%*	*-12%*
Pure aggregates (MT)	38.7	45.5	-15%	-14%	*12.8*	*14.5*	*-12%*	*-12%*
Ready-Mix Concrete (Mm³)	7.5	9.0	-17%	-14%	*2.5*	*2.6*	*-9%*	*-9%*
Sales	**2,433**	**2,664**	**-9%**	**-10%**	***809***	***864***	***-6%***	***-9%***
EBITDA (1)	**438**	**522**	**-16%**	**-19%**	***159***	***177***	***-10%***	***-13%***
EBITDA Margin (1)	*18.0%*	*19.6%*			*19.7%*	*20.5%*		
Current Operating Income(1)	296	364	-19%	-25%	*110*	*129*	*-15%*	*-18%*

- Sales were down 9% in the quarter and 10% year-to-date like for like, in a challenging economic environment.
  - **In France and in the UK,** slowing demand and unfavorable weather resulted in a construction market contraction and lower volumes for all three product lines, although overall prices increased.
  - **Spain and Greece** activity was affected by a strong decline of the market and reacted with continued cost-cutting.
- EBITDA grew 6% like for like in the third quarter when excluding carbon credit sales, as cost-cutting measures more than offset the impact of lower volumes.

(1) Impacted by lower sales of carbon credits: 65 million euros and 33 million euros lower proceeds for 9M and Q3, respectively

Central and Eastern Europe

Lower Cement Sales Volumes and Less Carbon Credit Sales Partially Offset by Cost Reduction Actions

	9 Months				*3rd Quarter*			
Volumes	**2012**	**2011**	**Variation**	**lfl**	***2012***	***2011***	***Variation***	***lfl***
Cement (MT)	10.4	10.9	-5%	-7%	*4.5*	*4.7*	*-6%*	*-8%*
Pure aggregates (MT)	16.6	14.9	11%	-2%	*7.5*	*6.6*	*14%*	*2%*
Ready-Mix Concrete (Mm^3)	1.2	1.2	-3%	7%	*0.5*	*0.4*	*16%*	*9%*
Sales	**989**	**997**	**-1%**	**-2%**	***428***	***436***	***-2%***	***-5%***
EBITDA (1)	**214**	**273**	**-22%**	**-20%**	***128***	***155***	***-17%***	***-19%***
EBITDA Margin (1)	*21.6%*	27.4%			*29.9%*	*35.6%*		
Current Operating Income(1)	153	219	-30%	-26%	*106*	*136*	*-22%*	*-22%*

- Sales were down 5% like for like in the third quarter and 2% year-to-date, impacted by a market correction in Poland, while most other countries positively contributed.
  - **In Poland,** cement sales volumes were down 19% in Q3 and year-to-date, reflecting the completion of construction projects in advance of the European Cup games in June and lower EU funding.
  - **In Russia,** market trends were positive, but cement volumes were impacted from the second quarter by production limitations at one plant.
  - **Romania** experienced positive volume trends across all activities both for Q3 and year-to-date.
  - Our plant in **Hungary** is progressively ramping up production and sales.
- Like for like EBITDA decreased in both periods, with energy cost inflation, lower volumes and lower carbon credit proceeds partially offset by cost-savings actions.

(1) Impacted by lower sales of carbon credits: 23 million euros and 4 million euros lower proceeds for 9M and Q3, respectively

Middle East and Africa

Strong Cost Control and Higher Pricing in Response to Cost Inflation and Lower Volumes

	9 Months				3rd Quarter			
Volumes	**2012**	**2011**	**Variation**	**lfl**	***2012***	***2011***	***Variation***	***lfl***
Cement (MT)	34.2	35.8	-4%	-2%(1)	*10.8*	*11.4*	*-6%*	*-4%* (1)
Pure aggregates (MT)	6.6	6.7	-3%	-4%	*2.2*	*2.3*	*-5%*	*-6%*
Ready-Mix Concrete (Mm^3)	5.2	4.4	19%	10%	*1.7*	*1.6*	*7%*	*7%*
Sales	**3,266**	**3,057**	**7%**	**3%**	***1,070***	***1,020***	***5%***	***-1%***
EBITDA	**942**	**865**	**9%**	**6%**	***299***	***293***	***2%***	***-3%***
EBITDA Margin	*28.8%*	*28.3%*			*27.9%*	*28.7%*		
Current Operating Income	695	635	9%	6%	*215*	*216*	*-*	*-5%*

- Sales were down 1% like for like in Q3 and up 3% year-to-date, with overall positive pricing in response to inflation and contrasted volume trends within the region.
  - **In Nigeria**, brisk market trends and the 2.2MT new line started in H2 2011 drove a 44% increase in cement sales year-to-date.
  - **Sub-Sahara Africa markets** outside of Nigeria also experienced strong cement sales volume growth.
  - **Egypt** total sales improved quarter on quarter, with domestic cement sales up 3% in Q3 helped by positive pricing and with developing ready mix concrete activities.
  - **In Algeria**, domestic cement sales were up 15% in Q3 (9% YTD), with strong market trends.
  - **Morocco** construction trends reversed in Q3 after a strong 2011 year and first part of 2012, driving domestic cement sales volumes down both in the quarter and year-to-date.
  - **Syria** Q3 cement sales volumes were strongly impacted by the current situation.
- Cost-savings initiatives and positive pricing mostly offset strong cost inflation and lower volumes.

(1) Domestic only

Latin America

Higher Sales and Cost-Saving Actions

	9 Months				3rd Quarter			
Volumes	**2012**	**2011**	**Variation**	**lfl**	***2012***	***2011***	***Variation***	***lfl***
Cement (MT)	6.9	6.5	5%	5%	*2.4*	*2.3*	*5%*	*5%*
Pure aggregates (MT)	2.1	1.8	20%	20%	*0.8*	*0.7*	*16%*	*16%*
Ready-Mix Concrete (Mm^3)	0.8	0.6	25%	25%	*0.3*	*0.3*	*18%*	*18%*
Sales	**729**	**673**	**8%**	**11%**	***255***	***239***	***7%***	***11%***
EBITDA	**211**	**180**	**17%**	**18%**	***82***	***65***	***26%***	***29%***
EBITDA Margin	*28.9%*	*26.7%*			*32.2%*	*27.2%*		
Current Operating Income	180	148	22%	22%	*72*	*54*	*33%*	*34%*

- The region benefited from a strong level of activity and sales were up 11% like for like both in the quarter and year-to-date.
  - **In Brazil,** construction market remained strong, and our cement sales were up 12% in Q3 and 11% year-to-date, with prices well oriented in response to cost increases.
  - **Honduras** also experienced positive cement sales growth.
- EBITDA experienced a strong 29% increase in Q3 (18% YTD), supported by higher sales, lower cost inflation coupled with cost-saving actions.

Asia

Significant Price and Volume Improvements

Volumes	9 Months 2012	9 Months 2011	Variation	lfl	3rd Quarter 2012	3rd Quarter 2011	Variation	lfl
Cement (MT)	32.5	31.2	4%	4%	*10.6*	*10.4*	*3%*	*3%*
Pure aggregates (MT)	4.7	3.9	21%	8%	*1.8*	*1.2*	*51%*	*30%*
Ready-Mix Concrete (Mm^3)	4.5	4.9	-7%	-3%	*1.4*	*1.6*	*-10%*	*-1%*
Sales	**2,039**	**1,772**	**15%**	**11%**	***675***	***580***	***16%***	***11%***
EBITDA	**406**	**288**	**41%**	**34%**	***139***	***83***	***67%***	***56%***
EBITDA Margin	*19.9%*	*16.3%*			*20.6%*	*14.3%*		
Current Operating Income	278	166	67%	61%	*97*	*43*	*126%*	*112%*

- Sales were up 11% like for like in the quarter and year-to-date, with prices well oriented in most countries and cement volumes higher.
  - **In India**, while building activity slowed from the second quarter impacted by heavy rains, cement domestic sales rose as price actions were successfully implemented to offset higher logistics costs.
  - **Malaysia**, **the Philippines and Indonesia** reported double-digit growth for domestic cement sales in the third quarter, with price gains in response to cost increases.
  - **In China,** cement sales were impacted by slower construction growth and increased competition.
  - **In South Korea,** market conditions improved and prices are progressively recovering from low levels, resulting in domestic cement sales being up 22% year-to-date.
- EBITDA strongly improved both in the quarter and year-to-date with better volumes and higher prices to offset cost inflation.

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The Brook condominium project
in North Vancouver, a sustainable construction
LEED - Canada

Net Income

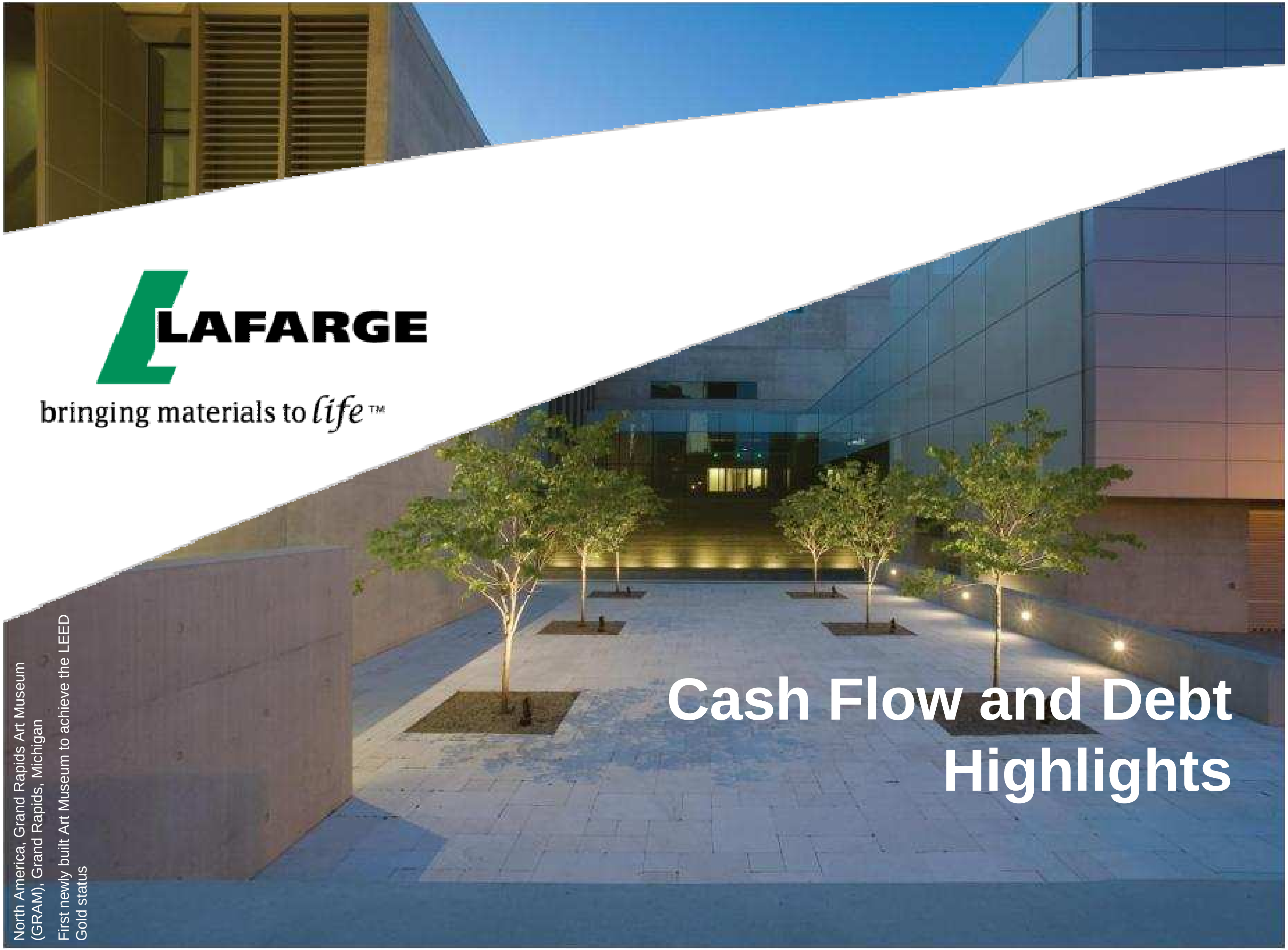
Net Income

Increase when excluding Non-Recurring Items

€m	9 Months 2012	9 Months 2011	3rd Quarter 2012	3rd Quarter 2011
EBITDA	**2,594**	**2,419**	***1,071***	***1,006***
Depreciation	(757)	(778)	*(256)*	*(256)*
Current Operating Income	**1,837**	**1,641**	***815***	***750***
Other income (expenses)	(387)	(90)	*(48)*	*(42)*
Finance costs, net	(753)	(649)	*(245)*	*(246)*
Income from associates	11	(10)	*1*	*(6)*
Income taxes	(234)	(271)	*(152)*	*(167)*
Income from discontinued operations	8	89 (1)	*11*	*69* (1)
Non-controlling interests	(150)	(114)	*(63)*	*(22)*
Net income Group Share (2)	**332**	**596**	***319***	***336***

- Net income Group share grew 13% in the quarter and 14% year-to-date when excluding asset impairment, restructuring costs and a non-recurring net gain of €48m from discontinued operations recorded in 2011.

(1) Including a non-recurring net gain of 48 million euros
(2) Net income attributable to the owners of the parent company



North America, Grand Rapids Art Museum (GRAM), Grand Rapids, Michigan
First newly built Art Museum to achieve the LEED Gold status

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Cash Flow and Debt Highlights

Cash Flow

€m	9 Months 2012	9 Months 2011	3rd Quarter 2012	3rd Quarter 2011
Cash flow from operations	1,323	1,371	*723*	*755*
Change in working capital	(930)	(648)	*(128)*	*(21)*
Sustaining capex	(182)	(216)	*(72)*	*(94)*
Free cash flow	**211**	**507**	***523***	***640***
Development and productivity investments (1)	(308)	(676)	*(120)*	*(232)*
Divestments (2)	117	364	*45*	*262*
Cash flow after investments	**20**	**195**	***448***	***670***
Dividends	(269)	(471)	*(174)*	*(330)*
Equity issuance (repurchase)	9	11	*-*	*7*
Currency fluctuation impact	(35)	41	*48*	*(313)*
Change in fair value	14	(25)	*8*	*4*
Others	33	23	*18*	*(40)*
Net debt reduction (increase)	**(228)**	**(226)**	***348***	***(2)***
Net debt at the beginning of period	11,974	13,993	*12,550*	*14,260*
Impact of discontinued operations reclassification	**-**	(43)	***-***	-
Net debt at period end	**12,202**	**14,262**	***12,202***	***14,262***

(1) Including debt acquired and the acquisitions of ownership interests with no gain of control.
The acquisitions of ownership interests with no gain of control represented €37m in 9M 2012 and €52m in 9M 2011, excluding third-party puts, already recorded as debt, exercised in the period (excluding a €51m put exercised in the first quarter 2011, a €111m put exercised in the third quarter 2011 and a €28m put exercised in the second quarter 2012).

(2) Including debt disposed of and the disposals of ownership interests with no loss of control

Strong Liquidity Backed by Well Balanced Committed Credit Lines

€bn, as at September 30, 2012	**Amount**	**2012**	**2013**	**2014**	**2015 and after**
Syndicated committed credit lines	1.2	-	-	-	1.2
Bilateral committed credit lines	2.2	-	0.4	0.7	1.1
Cash and cash equivalent	3.4				
Total sources of liquidity	**6.8**				

Credit line drawn as of September 30, 2012	0.0
Short- term debt and short-term portion of long-term debt	(3.2)
Total Available liquidity	**3.6**

- Lafarge SA committed credit lines of 3.4 billion euros with average maturity of 2.3 years

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Outlook 2012

North America, Grand Rapids Art Museum (GRAM), Grand Rapids, Michigan

First newly built Art Museum to achieve the LEED Gold status

2012 Outlook – Market* Overview

Cement

	Volumes (%)	Price	Highlights
North America	4 to 7%	+	Progressive recovery from low level
Western Europe	-15 to -12%	=/+	France and UK slightly decreasing, Spain and Greece impacted by austerity measures
Central and Eastern Europe	-2 to +1%	+	Contrasted trends within the region
Middle East and Africa	4 to 7%	+	Solid market trends in most countries
Latin America	4 to 7%	+	Solid market trends in most countries
Asia	4 to 7%	+	Solid market trends in most countries

Overall	**1 to 4%**	**+**	**Solid market trends in most emerging countries, progressive recovery in North America, and decline in WE** **Prices improving**

* Market growth forecast at national level

2012 Outlook – Other Elements

- 6% energy cost increase (+0.9 euro per tonne)
- Cost savings of at least €400m in 2012
- Cost of debt (gross): 6.4%
- Tax rate: 28%
- Capital expenditures: ~€0.8 Bn

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Conclusion

North America, Grand Rapids Art Museum (GRAM), Grand Rapids, Michigan

First newly built Art Museum to achieve the LEED Gold status

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North America, Grand Rapids Art Museum (GRAM), Grand Rapids, Michigan

First newly built Art Museum to achieve the LEED Gold status

I. Other Information

Outlook 2012 – Market Overview

2012 Outlook – Market [1] overview

Cement

	Market Volumes (%)
North America	**4 to 7**
United States	4 to 7
Canada	4 to 7
Western Europe	**-15 to -12**
France	-7 to -4
United Kingdom	-10 to -7
Spain	-30 to -27
Greece	-40 to -37
Central and Eastern Europe	**-2 to 1**
Poland	-13 to -10
Romania	2 to 5
Russia [1]	8 to 11
Latin America	**4 to 7**
Brazil	4 to 7
Honduras	3 to 6
Ecuador	2 to 5

	Market Volumes (%)
Middle East and Africa	**4 to 7**
Algeria	7 to 10
Egypt	0 to 3
Iraq	12 to 15
Kenya	8 to 11
Morocco	-3 to 0
Nigeria	10 to 13
South Africa	1 to 4
Asia	**4 to 7**
China [1]	4 to 7
India [1]	4 to 7
Indonesia [1]	5 to 8
Malaysia	4 to 7
Philippines	10 to 13
South Korea	2 to 5
Overall	**1 to 4**

(1) Market growth forecast at national level except for China, India, Indonesia and Russia for which only relevant markets are considered

2012 Outlook – Market overview

Aggregates & Concrete

- Main markets
  - Mature markets: subdued market volume growth in North America helped by highways bill, while most Western Europe markets expected to be impacted by austerity measures and slower economic growth.
  - Emerging markets: volume growth expected in most countries.
- Prices
  - Price improvement expected for both Pure Aggregates and Ready-Mix concrete.

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The Lille Metropolitan Museum of Modern Art, Contemporary Art and Art Brut.
Manuelle Gautrand architect, a Ductal project

II. Other information

Information per Activity

Cement

	9 Months				3rd Quarter			
	2012	2011	Variation	lfl	*2012*	*2011*	*Variation*	*lfl*
Volumes Cement (MT)	106.3	108.8	-2%	-1%	*36.6*	*38.2*	*-4%*	*-3%*
Sales (€m) (1)	8,440	7,960	6%	4%	*2,970*	*2,826*	*5%*	*1%*
EBITDA Margin	26.3%	26.1%			*29.1%*	*28.6%*		

By geographical zone	9 Months				3rd Quarter			
	2012	2011	Variation	lfl	*2012*	*2011*	*Variation*	*lfl*
Sales (1)	**8,440**	**7,960**	**6%**	**4%**	***2,970***	***2,826***	***5%***	***1%***
North America	1,060	967	10%	10%	*450*	*428*	*5%*	*1%*
Western Europe	1,284	1,382	-7%	-9%	*428*	*455*	*-6%*	*-9%*
Central and Eastern Europe	772	792	-3%	-2%	*333*	*351*	*-5%*	*-6%*
Middle East and Africa	2,853	2,667	7%	3%	*927*	*873*	*6%*	*-*
Latin America	649	606	7%	9%	*225*	*212*	*6%*	*9%*
Asia	1,822	1,546	18%	12%	*607*	*507*	*20%*	*12%*
EBITDA	**2,223**	**2,081**	**7%**	**5%**	***865***	***808***	***7%***	***3%***
North America	198	130	52%	55%	*124*	*99*	*25%*	*20%*
Western Europe	314	419	-25%	-27%	*121*	*145*	*-17%*	*-19%*
Central and Eastern Europe	196	246	-20%	-18%	*115*	*139*	*-17%*	*-18%*
Middle East and Africa	912	837	9%	6%	*290*	*283*	*2%*	*-3%*
Latin America	198	167	19%	19%	*76*	*60*	*27%*	*28%*
Asia	405	282	44%	36%	*139*	*82*	*70%*	*57%*

(1) Before elimination of inter divisional sales

Aggregates and Concrete

	9 Months				*3rd Quarter*			
	2012	**2011**	**Variation**	**lfl**	***2012***	***2011***	***Variation***	***lfl***
Volumes Pure Aggregates (MT)	141.2	143.6	-2%	-2%	*57.0*	*57.5*	*-1%*	-
Volumes Ready-Mix (Mm^3)	24.0	25.5	-6%	-1%	*8.3*	*8.7*	*-5%*	-
Sales (€m) (1)	4,051	3,929	3%	3%	*1,601*	*1,528*	*5%*	*3%*
EBITDA	330	335	-1%	-8%	*200*	*191*	*5%*	-
EBITDA Margin	8.1%	8.5%			*12.5%*	*12.5%*		

(1) Before elimination of inter divisional sales

Aggregates and other related activities

	9 Months 2012	9 Months 2011	3rd Quarter 2012	3rd Quarter 2011
EBITDA Margin	11.0%	12.3%	*16.7%*	*17.7%*

By geographical zone	9 Months				*3rd Quarter*			
	2012	2011	Variation	lfl	*2012*	*2011*	*Variation*	*lfl*
Sales	**2,099**	**1,972**	**6%**	**3%**	***900***	***843***	***7%***	***3%***
Out of which Pure aggregates	*1,768*	*1,613*	*10%*	*2%*	*722*	*643*	*12%*	*2%*
North America	836	675	24%	11%	*385*	*314*	*23%*	*7%*
Western Europe	596	641	-7%	-7%	*201*	*211*	*-5%*	*-7%*
Other	336	297	13%	5%	*136*	*118*	*15%*	*5%*
EBITDA	**231**	**242**	**-5%**	**-10%**	***150***	***149***	***1%***	***-4%***
Out of which Pure aggregates	*209*	*224*	*-7%*	*-12%*	*120*	*119*	*1%*	*-6%*
North America	103	99	4%	-3%	*75*	*73*	*3%*	*-1%*
Western Europe	70	82	-15%	-18%	*27*	*27*	*-*	*-9%*
Other	36	43	-16%	-20%	*18*	*19*	*-5%*	*-18%*

Ready-Mix and Concrete Products

	9 Months		3rd Quarter	
	2012	2011	*2012*	*2011*
EBITDA Margin	4.4%	4.1%	*6.2%*	*5.3%*

By geographical zone	9 Months				*3rd Quarter*			
	2012	2011	Variation	lfl	*2012*	*2011*	*Variation*	*lfl*
Sales	**2,243**	**2,244**	**-**	**2%**	***812***	***794***	***2%***	***2%***
Out of which Ready-Mix	2,143	2,149	-	2%	*770*	*752*	*2%*	*2%*
North America	610	589	4%	11%	*257*	*248*	*4%*	*5%*
Western Europe	788	876	-10%	-9%	*259*	*266*	*-3%*	*-5%*
Other	745	684	9%	8%	*254*	*238*	*7%*	*8%*
EBITDA	**99**	**93**	**6%**	**-2%**	***50***	***42***	***19%***	***13%***
Out of which Ready-Mix	77	74	4%	-5%	*37*	*32*	*16%*	*14%*
North America	30	17	76%	43%	*23*	*17*	*35%*	*19%*
Western Europe	22	32	-31%	-33%	*7*	*7*	*-*	*-8%*
Other	25	25	-	-5%	*7*	*8*	*nm*	*nm*

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The Lille Metropolitan Museum of Modern Art, Contemporary Art and Art Brut. Manuelle Gautrand architect, a Ductal project

III. Other Information

Sales variances for a selection of countries

YTD Like for Like Sales Variance (1) – Cement

Analysis by Region and Major Market as at September 30, 2012	Volume effect	Other effects(2)	Activity variation vs. 2011
North America	**7.0%**	**2.7%**	**9.7%**
United States	5.5%	4.6%	10.1%
Canada	9.3%	-0.3%	9.0%
Western Europe	**-12.4%**	**2.3%(3)**	**-10.1%**
France	-5.6%	0.7%	-4.9%
United Kingdom	-8.7%	3.1%	-5.6%
Spain	-27.5%	-0.4%	-27.9%
Greece	-38.3%	3.5%(3a)	-34.8%
Central and Eastern Europe	**-7.5%**	**5.3%**	**-2.2%**
Poland	-18.5%	2.4%	-16.1%
Romania	5.0%	0.9%	5.9%
Russia	-2.2%	10.2%	8.0%
Middle East and Africa	**-2.4%**	**7.6%(4)**	**5.2%**
Algeria	3.0%	6.0%	9.0%
Egypt	-8.7%	-1.4%	-10.1%
Iraq	8.4%	-9.9%	-1.5%
Kenya	18.3%	-2.2%(4a)	16.1%
Morocco	-4.9%	-3.7%	-8.6%
Nigeria	31.5%	12.7%	44.2%
South Africa	4.8%	1.5%	6.3%
Latin America	**5.1%**	**4.3%**	**9.4%**
Brazil	7.9%	3.3%	11.2%
Ecuador	0.3%	4.5%	4.8%
Honduras	2.0%	7.7%	9.7%
Asia	**4.9%**	**7.1%**	**12.0%**
China	1.9%	-8.0%	-6.1%
India	-1.0%	25.9%	24.9%
Indonesia	5.9%	8.2%	14.1%
Malaysia	10.7%	-2.7%(5)	8.0%
Philippines	5.7%	5.9%	11.6%
South Korea	5.8%	15.9%	21.7%
Cement domestic markets	**-0.8%**	**4.8%(6)**	**4.0%**

(1) Variance on like for like sales on domestic markets before elimination of sales between Divisions
(2) Other effects: including price effects, product and customer mix effects
(3) Out of which pure price effect: flat
(4) Out of which pure price effect: 3%
(5) Out of which grey cement price variation: 0.7%
(3a) Out of which grey cement price variation: -0.9%
(4a) Out of which grey cement price variation: 2.4%
(6) Out of which pure price effect: 3.5%

YTD Like for Like Sales Variance [1]

Aggregates and Concrete

Analysis by Major Market as at September 30, 2012	Volume effect	Other effects [2]	Activity variation vs. 2011
Pure Aggregates	**-2.2%**	**4.7%**	**2.5%**
France	-9.6%	3.9%	-5.7%
United Kingdom	-11.6%	4.7%	-6.9%
Poland	-19.1%	0.3%	-18.8%
United States	-0.7%	0.6%	-0.1%
Canada	8.8%	8.1%	16.9%
South Africa	12.5%	5.5%	18.0%

Ready-mix Concrete	**-1.2%**	**3.1%**	**1.9%**
France	-5.1%	2.0%	-3.1%
United Kingdom	-15.2%	1.5%	-13.7%
United States	-3.8%	-3.2%	-7.0%
Canada	15.3%	1.6%	16.9%
South Africa	3.4%	2.4%	5.8%
India	-7.0%	8.2%	1.2%

(1) Variance on like for like sales on domestic markets before elimination of sales between Divisions
(2) Other effects: including price effects, product and customer mix effects

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IV. Other Information

Income statement

The Brook condominium project
in North Vancouver, a sustainable construction
LEED - Canada

Other Income (Expenses)

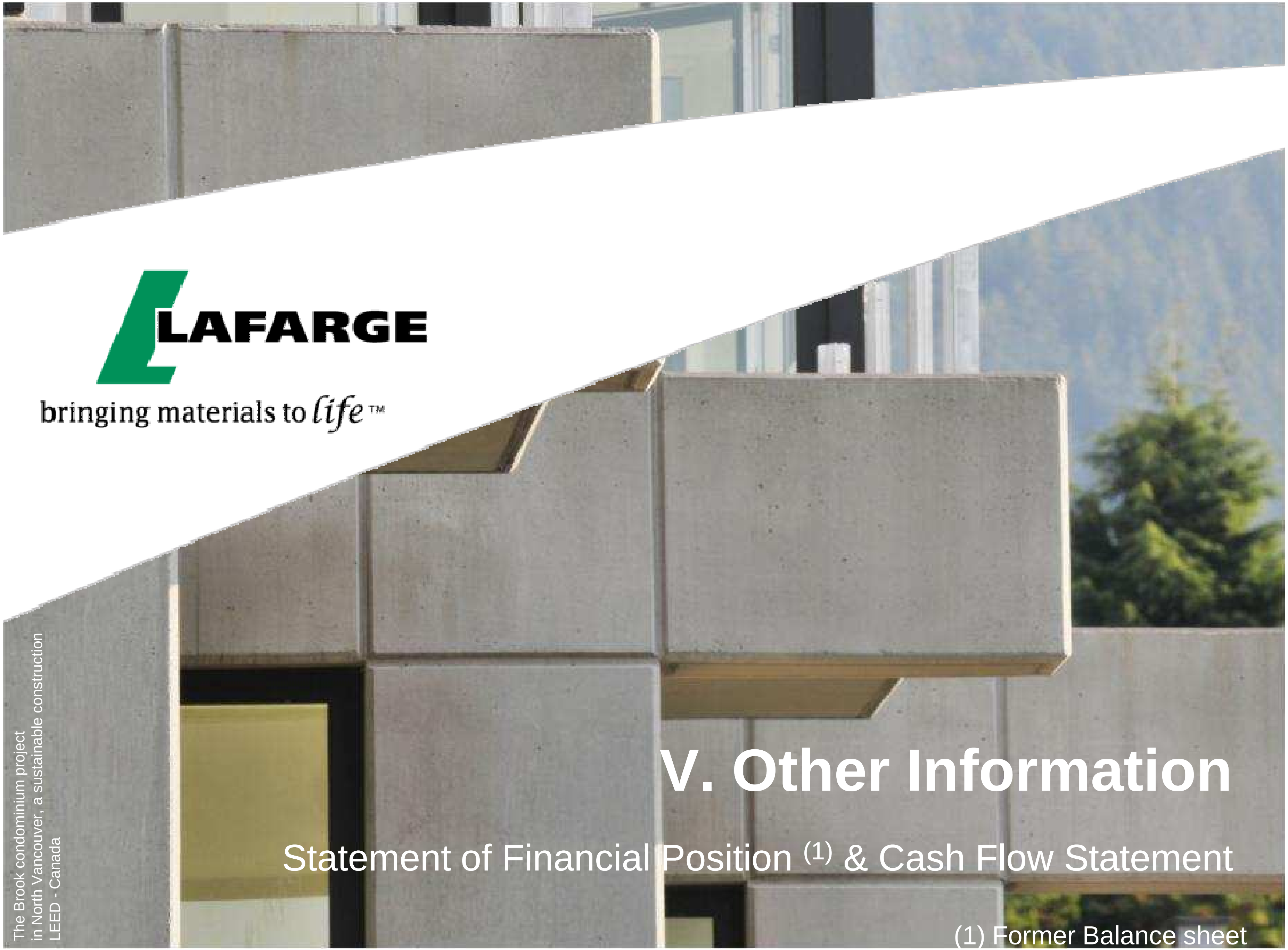
€m	9 Months 2012	9 Months 2011	*3rd Quarter 2012*	*3rd Quarter 2011*
Net gains (losses) on disposals	41	26	*(3)*	*1*
Impairment of assets	(183)	(48)	*(13)*	*(23)*
Restructuring	(164)	(20)	*(16)*	*(4)*
Others	(81)	(48)	*(16)*	*(16)*
Total	**(387)**	**(90)**	***(48)***	***(42)***

Finance Costs and average interest rate

€m	9 Months 2012	9 Months 2011	*3rd Quarter 2012*	*3rd Quarter 2011*
Financial charges on net debt	(663)	(623)	*(226)*	*(208)*
Foreign exchange	(19)	26	*6*	*(16)*
Others	(71)	(52)	*(25)*	*(22)*
Total	**(753)**	**(649)**	***(245)***	***(246)***

Average interest rate		**September 30, 2012**	**Interest rate Spot**	**Interest rate Average**	December 31, 2011	Interest rate Spot	Interest rate Average
Total gross debt (1)		**€15.6Bn**	**6.1%**	**6.2%**	€15.1Bn	6.2%	5.7%
Of which:	*Fixed rate*	*68%*	*7.6%*		*67%*	*7.6%*	
	Floating rate	*32%*	*3.0%*		*33%*	*3.5%*	

(1) Excluding puts and derivative instruments: negligible as at September 30, 2012 and €0.1Bn as at December 31, 2011



The Brook condominium project
in North Vancouver, a sustainable construction
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V. Other Information

Statement of Financial Position [1] & Cash Flow Statement

(1) Former Balance sheet

Statement of Financial position

€m	September 30, 2012	Dec. 31, 2011	€m	September 30, 2012	Dec. 31, 2011
Capital Employed	30,090	29,942	Equity	18,298	18,201
Out of which:			*Out of which:*		
Goodwill	*12,537*	*12,701*	*Shareholders' equity*	*16,165*	*16,004*
Prop, plant & equip.	*15,354*	*15,542*	*Non controlling interests*	*2,133*	*2,197*
Working Capital	*1,091*	*443*			
Other	*1,108*	*1,256*			
Financial assets	697	755	Net debt	12,202	11,974
Net assets held for sale (1)	2,032	1,831	Provisions	2,319	2,353
Total	**32,819**	**32,528**	**Total**	**32,819**	**32,528**

(1) Following the announcement of the agreement between Lafarge and Anglo American plc to combine their cement, aggregates, ready-mixed concrete, and asphalt & contracting businesses in the United Kingdom, and in accordance with IFRS 5, Lafarge UK 's assets and liabilities that will be contributed to this joint venture have been grouped since February 18, 2011 in the consolidated statement of financial position on the lines " Assets held for sale " and " Liabilities directly associated with assets held for sale", respectively. The completion of this transaction is conditional upon regulatory approvals.
Additionally, following its intentions regarding the divestment of its Gypsum activities in North America, the Group presents them as discontinued operations.
See Note 3 to the condensed consolidated financial statements for more information

Investments and Divestments

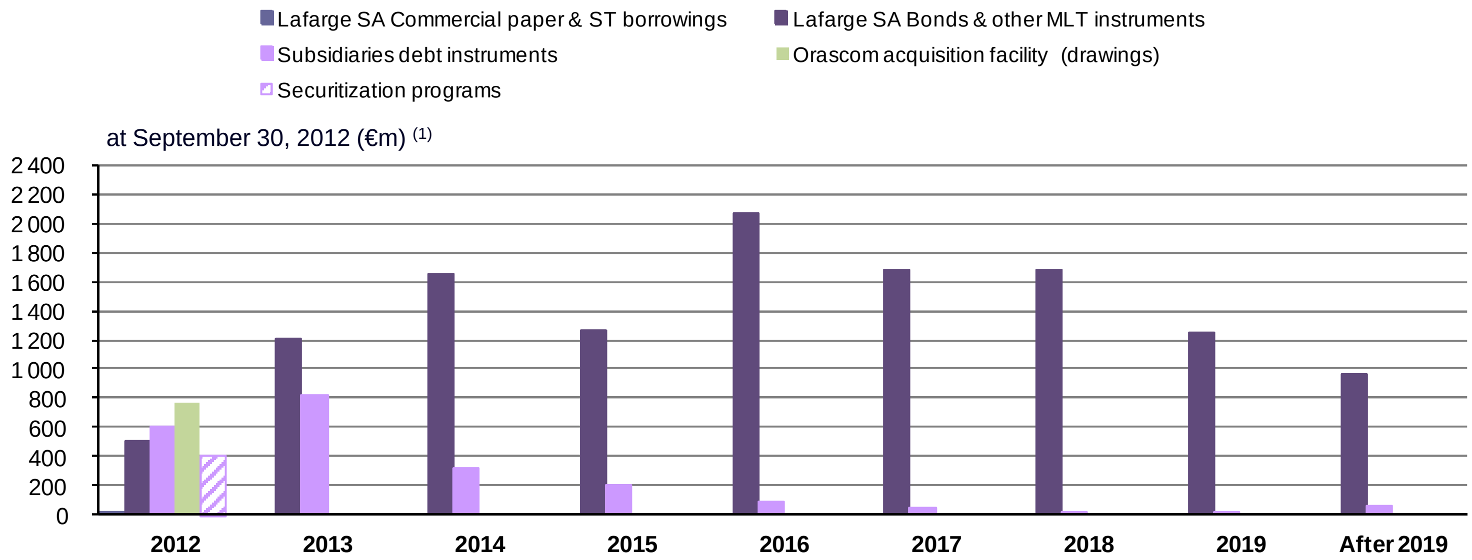
€m	9 Months 2012	9 Months 2011	*3rd Quarter 2012*	*3rd Quarter 2011*
Sustaining capital expenditures	(182)	(216)	*(72)*	*(94)*
Development and productivity capex	(305)	(546)	*(104)*	*(189)*
Acquisitions (1)	(3)(3)	(130)	*(16)*	*(43)*
Capital expenditures	**(490)**	**(892)**	***(192)***	***(326)***
Divestments (2)	**117**	**364**	***45***	***262***

(1) Including debt acquired and the acquisitions of ownership interests with no gain of control. The acquisitions of ownership interests with no gain of control represented €37m in 9M 2012 and €52m in 9M 2011, excluding third-party puts, already recorded as debt, exercised in the period (excluding a €51m put exercised in the first quarter 2011, a €111m put exercised in the third quarter 2011 and a €28m put exercised in the second quarter 2012).

(2) Including debt disposed of and the disposals of ownership interests with no loss of control

(3) Including 60 million euros received pursuant to a settlement agreement (see note 9 of the condensed consolidated financial statements).

Balanced Debt Maturity Schedule

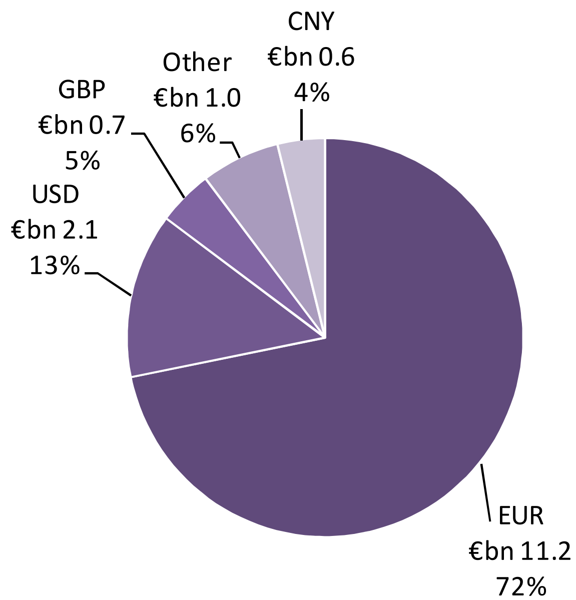


- Average maturity of gross debt is 3 years and 11 months

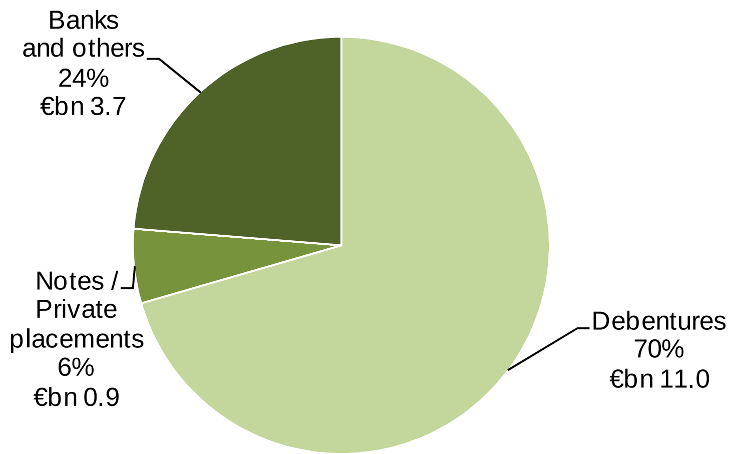
(1) Excluding puts on shares and derivatives instruments

Gross Debt (1) by Currency and by Source of Financing as at September 30, 2012

Split by currency



Split by source of financing



Total Gross Debt (1): **€ 15.6 Bn**

(1) Excluding puts on shares and derivatives instruments

Key definitions

- Amounts are generally given in million euros, and exceptions are mentioned.
- Variations are calculated based on amounts that include decimals, and may therefore not be totally consistent when calculated based on rounded disclosed figures.

Volumes	Volumes are shown by origin
Sales by Region	Group Sales by Region are disclosed after eliminations of inter regional sales and are shown by origin. Sales for each activity are disclosed by origin, and before elimination of inter regional/divisional sales.
EBITDA	Current Operating Income before depreciation and amortization on tangible and intangible assets
EBITDA Margin	EBITDA / Sales
Current Operating Income	Operating Income before "capital gains, impairment, restructuring and other"
Free Cash Flow	Net operating cash generated by operations less sustaining capital expenditures
Like for Like variation	Like for Like variation corresponds to the variation at constant scope and exchange rates
Strict Working Capital	Trade receivables plus inventories less trade payables
Strict Working Capital in days sales	$\frac{\text{Strict Working Capital end of N} * \text{90 days}}{\text{Sales of the last quarter}}$